GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1928
ANSWERED ON:24.08.2007
DISBURSING OF LOAN BY COOPERATIVE BANKS
Shiwankar Shri Maha Deo Rao

Will the Minister of FINANCE be pleased to state:

(a) the detgils of loans disbursed by cooperative banks and nationalised banks in agriculture sector during the last three years;

(b) the rate of interest of the said loans; Â» j

(c) whether Government proposes to reduce the rate of interest on loans for agriculture sector; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (d) : The details of loans disbursed by Cooperative Banks (CBs) and Public Sector Banks(PSBs) in agriculture sector during the last three years is as follows :-

Agency	2004-05	2005-06	2006-07	2007-08#
CBs	31,231	39,404	42,480	13,160
PSBs	65,218	94,273	1,14,478	24,020

Upto 30 June, 2007 (figures provisional)

To reduce the burden of interest on Crop Loans availed by fanners for Kharif and Rabi 2005-06, sn amount equal to two percentage points of the borrower`s liability on the principal amount upto Rs. 1,00,000/- was credited to their account. From Kharif 2006, to ensure that the farmer receives Short-Term Production Credit at 7% with an upper limit of Rs.3 lacs on the principal amount, tie Government is providing interest subvention of 2% per annum to Public Sector Banks, Regional Rural Banks(RRBs) and Cooperative Eatiks on their lending from their own resources and refinance at concessional rates to Cooperative Banks and RRBs on their borrowings from NABARD.